



July 8, 2019

The Honorable Bruce Edgmon
Speaker of the House
State Capitol, Room 208
Juneau, AK 99801-1182

The Honorable Lance Pruitt
House Minority Leader
State Capitol, Room 404
Juneau, AK 99801-1182

The Honorable Cathy Giessel
President of the Senate
State Capitol, Room 111
Juneau, AK 99801-1182

The Honorable Tom Begich
Senate Minority Leader
State Capitol, Room 11
Juneau, AK 99801-1182

Dear Sirs/Madam:

I am writing to you on behalf of the Alaska Credit Union League, a volunteer association of Alaska's ten member owned credit unions. Together, we serve 460,000 Alaskans across the state, and as credit unions we share a common mission to promote the financial wellbeing of our members and the communities we serve.

We understand that as a State we have faced challenges over the past five years, and that reasonable minds can differ over the best path in response to those challenges. We agree with the need for a sustainable state budget and responsible use of the Permanent Fund that protects the fund for future generations.

However, we believe the Governor's vetoes to the Fiscal Year 2020 operating budget are far too extreme in nature and immediacy, and the resultant budget cuts will have profoundly negative effects on state and local economies. The proposed reduction to the general fund spending will be a drastic shock on all levels, with foreseeable and unforeseeable impacts that will affect us and future generations for years to come. The cuts to the university system alone will devastate that system, which provides critical underpinnings for future economic development in many sectors of our economy. The cuts to health care, education and support to local municipalities are equally damaging and short sighted. Further, with the promise of more cuts to come next year, the sense of uncertainty and distrust will have the effect of further destabilizing our communities and future economic investment in our State.

The State's financial future lies in a measured combination of spending controls, revenue enhancements and use of the Permanent Fund through a rules based framework. We recognize the





efforts made by the House and Senate this legislative session to make strides in that direction, and encourage you to take the steps necessary to ensure the legislatively passed budget is adopted.

Sincerely,

Dan McCue
President, Alaska Credit Union League

Helen Mickel
Chair, Alaska Credit Union League

Cc: Members of Alaska House of Representatives
Members of Alaska State Senate
Office of the Governor

